

1200 New Jersey Avenue SE Washington, DC 20590

January 10, 2012

MR. STEVE KENNER GLOBAL DIRECTOR, AUTOMOTIVE SAFETY OFFICE ENVIRONMENTAL & SAFETY ENGINEERING FORD MOTOR COMPANY 330 TOWN CENTER DRIVE SUITE 400 DEARBORN, MI 48126-2738 NVS-215kjs 12V-006

SUBJECT: TORQUE CONVERTER MALFUNCTIONS

DEAR MR. KENNER:

This letter serves to acknowledge Ford Motor Company's (Ford) notification to the National Highway Traffic Safety Administration (NHTSA) of a safety recall campaign which will be conducted pursuant to Federal law for the vehicles listed below.

Please review the following information to ensure that it conforms to your records as this information is being made available to the public. If the information does not agree with your records, please contact us immediately to discuss your concerns.

Makes/Models/Model Years: FORD/FREESTAR/2004-2005

MERCURY/MONTEREY/2004-2005

NHTSA Campaign Number: 12V-006

Mfg's Report Date: January 4, 2012

Components: POWER TRAIN:AUTOMATIC TRANSMISSION POWER TRAIN:AUTOMATIC TRANSMISSION:TORQUE CONVERTER

Potential Number of Units Affected: 205,896

Summary:

FORD IS RECALLING CERTAIN MODEL YEAR 2004 AND 2005 FORD FREESTAR AND MERCURY MONTEREY VEHICLES. THE TORQUE CONVERTER OUTPUT SHAFT MAY FAIL.

Consequence:

THIS CONDITION RESULTS IN A SUDDEN LOSS OF MOTIVE POWER WITH NO WARNING, INCREASING THE RISK OF A CRASH.

Remedy:

FORD WILL NOTIFY OWNERS, AND DEALERS WILL REPLACE THE TORQUE CONVERTER FREE OF CHARGE. THE SAFETY RECALL IS EXPECTED TO BEGIN IN THE SECOND CALENDAR QUARTER OF 2012. OWNERS MAY CONTACT THE FORD MOTOR COMPANY CUSTOMER RELATIONSHIP CENTER AT 1-866-436-7332.

Notes:

FORD'S SAFETY RECALL CAMPAIGN NUMBER IS 11S25. CUSTOMERS MAY CONTACT THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION'S VEHICLE SAFETY HOTLINE AT 1-888-327-4236 (TTY: 1-800-424-9153); OR GO TO <u>HTTP://WWW.SAFERCAR.GOV</u>.

This recall was the subject of an Engineering Analysis, EA09-016, conducted by the Office of Defects Investigation.

Your report indicates that due to parts delays, the recall campaign is not expected to begin until the second quarter of this year. Please be reminded that irrespective of any parts delay, it is expected that a vehicle manufacturer will notify owners of vehicles affected by a safety defect within 60 days of its notification to NHTSA. Please verify with this office that Ford will notify owners within 60 days.

We note that your report states that "Ford has not determined that vehicle immobility caused by torque converter malfunction in these vehicles constitutes a safety defect. Ford is not aware of any reports pertaining to this condition where customers allege they were unable to maintain control of their vehicle . . . Ford has decided to conduct this field action as a Safety Recall, despite our belief that this condition does not present an unreasonable risk of accident or injury." NHTSA does not agree with this statement.

Ford's statement has no force or effect in terms of Ford's obligation to undertake and complete the recall. Pursuant to 49 CFR 573.6(a), the filing of Ford's 573 Report indicates that Ford has made the determination that a defect related to motor vehicle safety exists in the subject vehicles. Please take note of your obligation under 49 CFR 577.5(c)(1) to include in your owner letter specific language acknowledging that you have decided that a defect related to motor vehicle safety exists. Please also note that 49 CFR 577.8 specifically prohibits disclaimers in the letter to the owners and that 49 CFR 577.9 makes clear that a notification that does not conform to the requirements of Part 577 is a violation of the Motor Vehicle Safety Act. When you submit your draft owner letter to the agency for review please ensure that it meets these requirements. If it does not, the agency will reject the draft letter. If you send any owner notification letters to owners containing such disclaimers, the agency will take appropriate action for your violation of 49 CFR 577.8 and 577.9.

Please be reminded of the following requirements:

You are required to submit a draft owner notification letter to this office no less than five days prior to mailing it to the customers. Also, copies of all notices, bulletins, dealer notifications, and other communications that relate to this recall, including a copy of the final owner notification letter and any subsequent owner follow-up notification letter(s), are required to be submitted to this office no later than 5 days after they are originally sent (if they are sent to more than one manufacturer, distributor, dealer, or purchaser/owner).

As stated in Part 573.7, submission of the first of six consecutive quarterly status reports is required within 30 days after the close of the calendar quarter in which the campaign was initiated. Thereafter, quarterly reports will be due on or before 30 days after close of the calendar quarter.

Your contact for this recall will be Kelly Schuler, who may be reached by phone at 202-366-5227, by email at <u>Kelly.Schuler@dot.gov</u>, or through the office email at <u>RMD.ODI@dot.gov</u>. We look forward to working with you for successful completion of this recall campaign.

Sincerely,

Jennifer Timian Chief, Recall Management Division Office of Defects Investigation Enforcement